

DISTRICT OF NEW JERSEY

In re: Bed Bath & Beyond Inc.

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Case No. 23-13359

Debtor(s)

Lead Case No. 23-13359

Jointly Administered

## Post-confirmation Report

Chapter 11

Quarter Ending Date: 09/30/2024

Petition Date: 04/23/2023

Plan Confirmed Date: 09/14/2023

Plan Effective Date: 09/29/2023

This Post-confirmation Report relates to:  Reorganized Debtor

Other Authorized Party or Entity: 20230930-DK-Butterfly, Inc.

Name of Authorized Party or Entity

/s/ Bradford J. Sandler

Signature of Responsible Party

10/21/2024

Date

Bradford J. Sandler, Esq.

Printed Name of Responsible Party

Pachulski Stang Ziehl & Jones LLP  
780 Third Avenue, 34th Floor  
New York, NY 10017-2024

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

**Part 1: Summary of Post-confirmation Transfers**

	<b>Current Quarter</b>	<b>Total Since Effective Date</b>
a. Total cash disbursements	\$7,814,465	\$163,382,011
b. Non-cash securities transferred	\$0	\$0
c. Other non-cash property transferred	\$0	\$0
d. Total transferred (a+b+c)	\$7,814,465	\$163,382,011

**Part 2: Preconfirmation Professional Fees and Expenses**

a.			Approved Current Quarter	Approved Cumulative	Paid Current Quarter	Paid Cumulative
	Professional fees & expenses (bankruptcy) incurred by or on behalf of the debtor		<i>Aggregate Total</i>			
	<i>Itemized Breakdown by Firm</i>					
i	Donnelly Financial LLC	Other	\$0	\$88,071	\$0	\$88,071
ii	Kroll Restructuring Administrat	Other	\$0	\$4,797,627	\$0	\$4,797,627
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Debtor's Name Bed Bath &amp; Beyond Inc.

Case No. 23-13359

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Debtor's Name Bed Bath &amp; Beyond Inc.

Case No. 23-13359

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b.			Approved Current Quarter	Approved Cumulative	Paid Current Quarter	Paid Cumulative
	Professional fees & expenses (nonbankruptcy) incurred by or on behalf of the debtor	<i>Aggregate Total</i>	\$0	\$2,288,055	\$0	\$2,288,055
	<i>Itemized Breakdown by Firm</i>					
	i	Firm Name	Role			
	i	A&G Realty Partners	Other	\$0	\$949,827	\$0
	ii	Grant McCarthy	Financial Professional	\$0	\$275,533	\$0
	iii	Legal People LLC	Local Counsel	\$0	\$100,828	\$0
	iv	Bright Labs Services LLC	Financial Professional	\$0	\$462,063	\$0
	v	Deloitte Tax LLP	Financial Professional	\$0	\$474,804	\$0
	vi	Landmapp Valuation & Asset S	Financial Professional	\$0	\$25,000	\$0

Debtor's Name Bed Bath &amp; Beyond Inc.

Case No. 23-13359

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Debtor's Name Bed Bath &amp; Beyond Inc.

Case No. 23-13359

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Debtor's Name Bed Bath &amp; Beyond Inc.

Case No. 23-13359

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c.	All professional fees and expenses (debtor & committees)		\$0	\$7,173,753		\$0	\$7,173,753

**Part 3: Recoveries of the Holders of Claims and Interests under Confirmed Plan**

	Total Anticipated Payments Under Plan	Paid Current Quarter	Paid Cumulative	Allowed Claims	% Paid of Allowed Claims
a. Administrative claims	\$0	\$0	\$883,741	\$883,741	100%
b. Secured claims	\$0	\$5,683,012	\$151,782,509	\$151,782,509	100%
c. Priority claims	\$0	\$0	\$0	\$0	0%
d. General unsecured claims	\$0	\$0	\$0	\$0	0%
e. Equity interests	\$0	\$0	\$0		

**Part 4: Questionnaire**

a. Is this a final report?

Yes  No 

If yes, give date Final Decree was entered:

If no, give date when the application for Final Decree is anticipated: 12/31/2026

b. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?

Yes  No

**Privacy Act Statement**

28 U.S.C. § 589b authorizes the collection of this information and provision of this information is mandatory. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6) and to otherwise evaluate whether a reorganized chapter 11 debtor is performing as anticipated under a confirmed plan.

Disclosure of this information may be to a bankruptcy trustee when the information is needed to perform the trustee's duties, or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: [http://www.justice.gov/ust/eo/rules\\_regulations/index.htm](http://www.justice.gov/ust/eo/rules_regulations/index.htm). Failure to provide this information could result in the dismissal or conversion of your bankruptcy case, or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

**I declare under penalty of perjury that the foregoing Post-confirmation Report and its attachments, if any, are true and correct and that I have been authorized to sign this report.**

/s/ Michael Goldberg

Signature of Responsible Party

Solely in his capacity as Plan Administrator

Title

Michael Goldberg, Plan Administrator

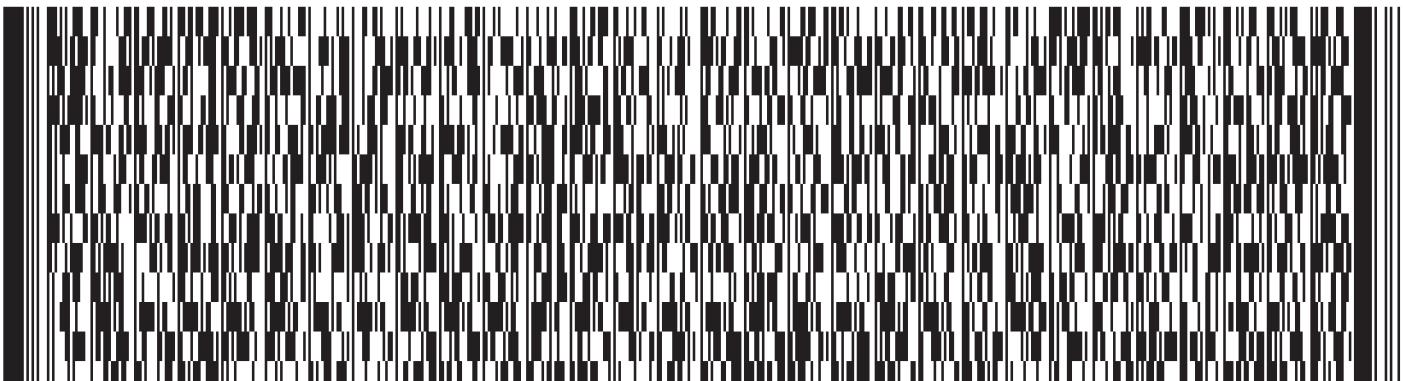
Printed Name of Responsible Party

10/21/2024

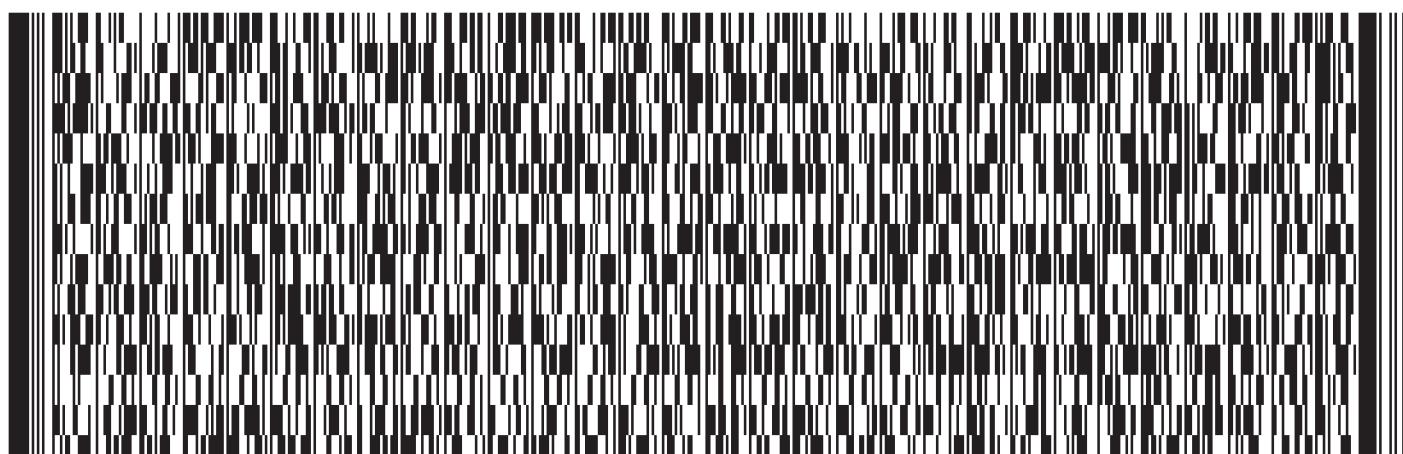
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Debtor's Name Bed Bath & Beyond Inc.

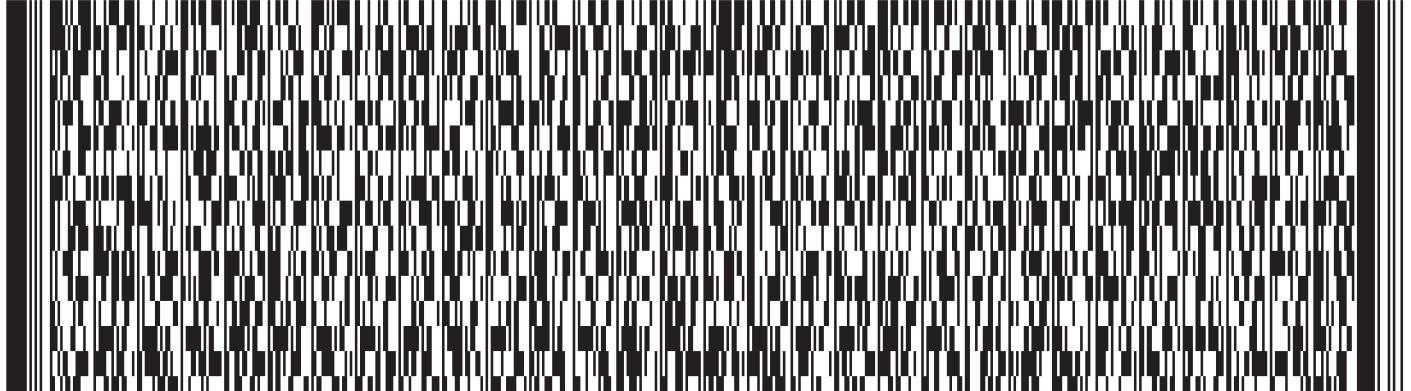
Case No. 23-13359



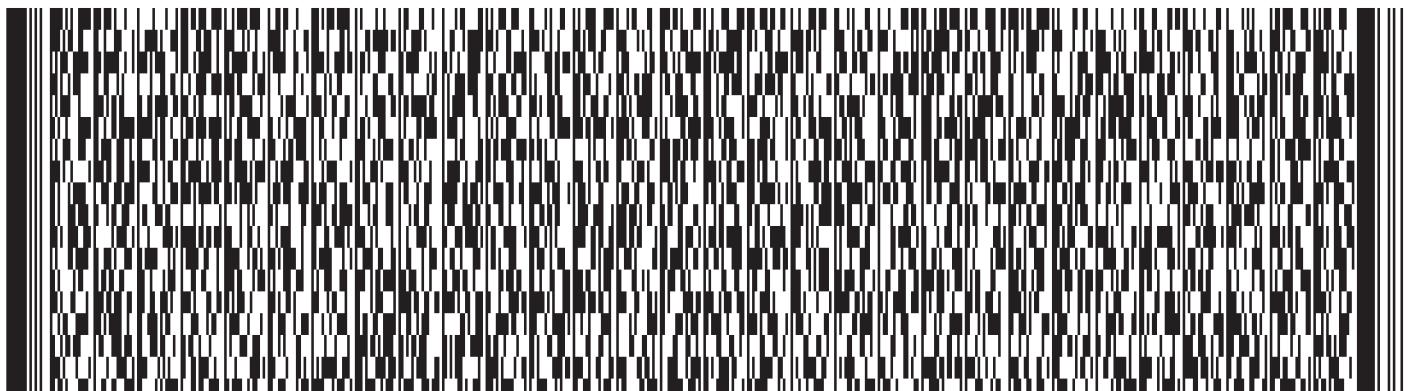
Page 1



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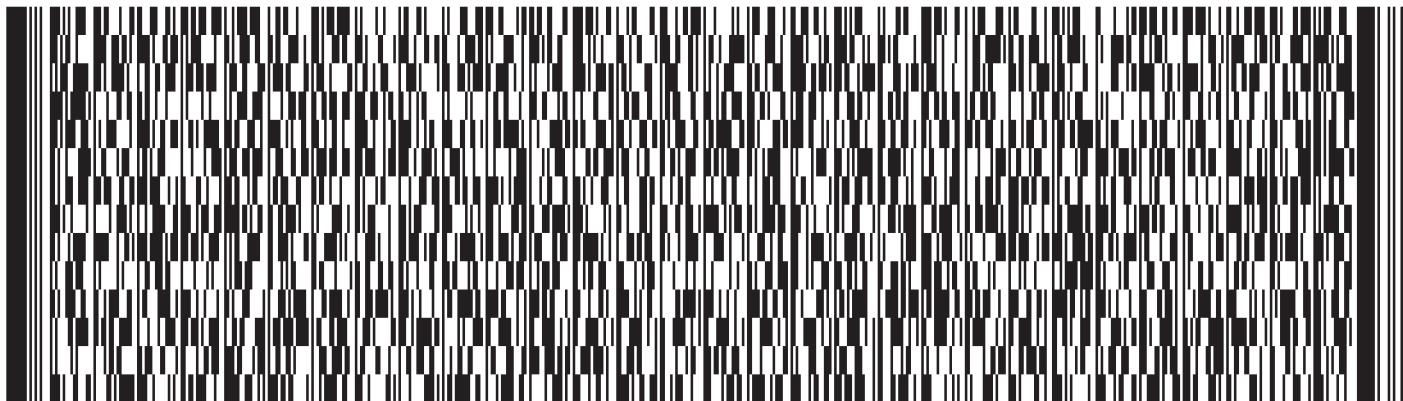
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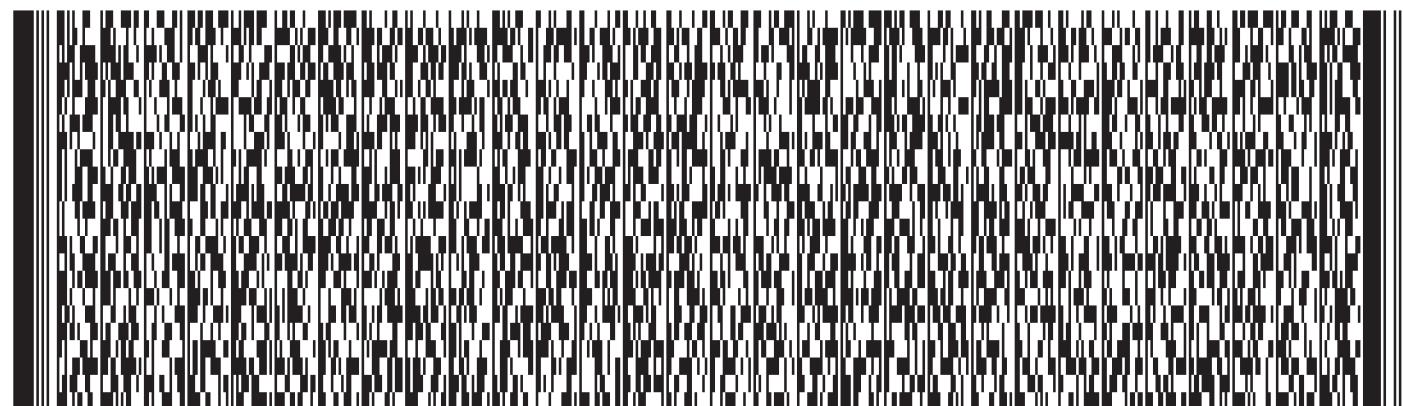
Bankruptcy Table 1-50

Debtor's Name Bed Bath & Beyond Inc.

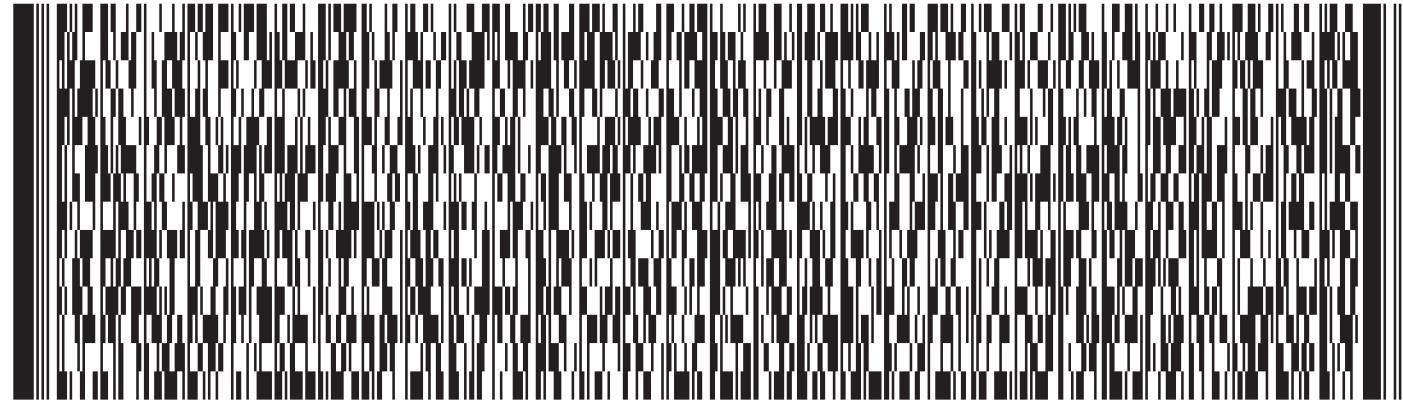
Case No. 23-13359



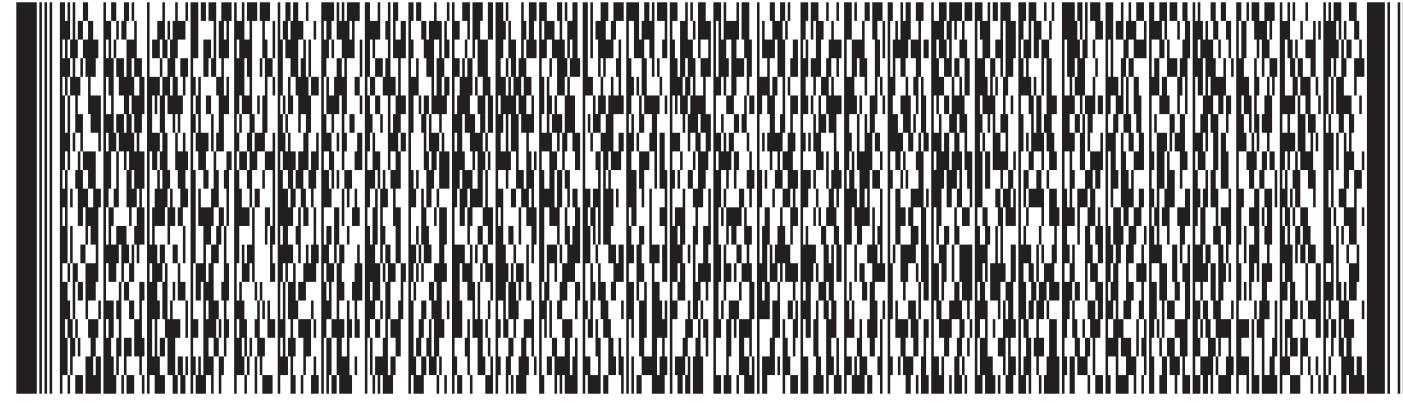
Bankruptcy Table 51-100



Non-Bankruptcy Table 1-50



Non-Bankruptcy Table 51-100



Part 3, Part 4, Last Page

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY**

**Caption in Compliance with D.N.J. LBR 9004-1(b)**

Robert J. Feinstein (admitted *pro hac vice*)

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*Counsel to the Plan Administrator*

In re:

BED BATH & BEYOND INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 23-13359 (VFP)

(Jointly Administered)

**GLOBAL NOTES AND STATEMENT OF LIMITATIONS, METHODOLOGY AND  
DISCLAIMERS REGARDING POST-CONFIRMATION QUARTERLY REPORT FOR  
20230930-DK-BUTTERFLY-1, INC. (f/k/a/ BED BATH & BEYOND INC.) FOR THE  
QUARTER ENDED SEPTEMBER 30, 2024**

20230930-DK-Butterfly-1, Inc. (f/k/a/ Bed Bath & Beyond Inc.)(Case No. 23-13359), the lead debtor (“Lead Debtor”) of the 74 entities that filed voluntary petitions on April 23, 2023 (collectively, the “Debtors”)<sup>2</sup> initiating cases under chapter 11 of the Bankruptcy Code (the “Chapter 11 Cases”), has filed the attached post-confirmation report (the “PCR”) for the quarter July 1, 2024 – September 30, 2024 (the “Reporting Period”). Michael Goldberg, solely in his capacity as the Plan Administrator to 20230930-DK-Butterfly-1, Inc. (f/k/a/ Bed Bath & Beyond Inc.) and affiliated debtors (the “Plan Administrator”) prepared the PCR with the assistance of

<sup>1</sup> The last four digits of Debtor Bed Bath & Beyond Inc.’s tax identification number are 0488. A complete list of the Debtors in these chapter 11 cases and each such Debtor’s tax identification number may be obtained on the website of the Debtors’ claims and noticing agent at <https://restructuring.ra.kroll.com/bbby>.

<sup>2</sup> Pursuant to the *Certificate of Amendment of the Certificate of Incorporation of Bed Bath & Beyond Inc.*, which was filed with the State of New York Department of State on September 21, 2023, the name of the entity formerly known as “Bed Bath & Beyond Inc.” was changed to *20230930-DK-Butterfly, Inc.* [Filing ID No. 230921001833 DOS ID 315602].

and reliance on his advisors, his professionals and certain of the Debtors' retained employees.<sup>3</sup> The PCR was prepared solely for the purpose of complying with the post-confirmation quarterly reporting requirements established by the United States Trustee Program (see <https://www.justice.gov/ust/chapter-11-operating-reports>). The PCR should not be relied upon by any persons for any information concerning current or future financial conditions or events relating to the Debtors or their estates.

The financial information contained in the PCR is preliminary, unaudited, limited in scope, and is not prepared in accordance with accounting principles generally accepted in the United States of America nor in accordance with other applicable non-bankruptcy law. In preparing the PCR, the Plan Administrator relied on financial data from the limited books and records of the Debtors available to him during the preparation of the PCR, as well as certain filings on the docket in the Chapter 11 Cases. Although the Plan Administrator made commercially reasonable efforts to ensure the accuracy and completeness of the PCR, inadvertent errors or omissions may exist.<sup>4</sup> The Plan Administrator reserves the right to amend and supplement the PCR as may be necessary or appropriate.

## **Part I: Summary of Post-Confirmation Transfers**

**1. Cash Disbursements:** For the purpose of determining "disbursements," the Plan Administrator has excluded disbursements made from funds on which the Debtors previously paid quarterly fees to the Office of the United States Trustee (the "oust"). Pursuant to the Plan and Confirmation Order, on or about September 29, 2023, the Plan Administrator is informed and believes that the Lead Debtor transferred \$11,087,699.25 (the "Fee Reserve Funds") to an account controlled by the Debtors' former bankruptcy counsel Kirkland & Ellis ("K&E") to hold reserves for professional fees and expenses (the "Professional Fee Reserve"). The transfer of the Fee Reserve Funds was reflected as a disbursement on the Lead Debtor's final monthly operating statement for September 2023.<sup>5</sup>

Because the Lead Debtor already satisfied the United States Trustee fees ("UST Fees") allocable to the Fee Reserve Funds at the statutory maximum amount of \$250,000, the Plan Administrator did not pay UST Fees on Fee Reserve Funds when they were further disbursed to prevent paying UST Fees on those funds a second time. Payments made from the Professional Fee Reserve to Professionals from the Effective Date through July 16, 2024 are summarized in prior Post Confirmation Quarterly Reports. On July 16, 2024, the balance in the Professional Fee

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<sup>3</sup> The Plan Administrator was appointed pursuant to the *Second Amended Joint Chapter 11 Plan of Bed Bath & Beyond Inc. and Its Debtor Affiliates* [Docket No. 2160] (as amended, the "Plan"), which was confirmed on September 14, 2023. See *Findings of Fact, Conclusions of Law, and Order (I) Approving the Disclosure Statement on a Final Basis and (II) Confirming the Second Amended Joint Chapter 11 Plan of Bed Bath & Beyond Inc. and its Debtor Affiliates* [Docket No. 2172] (the "Confirmation Order"). On September 29, 2023, the effective date of the Plan occurred (the "Effective Date"). As of the Effective Date, the Plan Administrator is authorized to implement the Plan and any applicable orders of the Bankruptcy Court.

<sup>4</sup> The Plan Administrator and his agents, employees, advisors, attorneys, and other professionals, as applicable, do not guarantee or warrant the accuracy or completeness of the data that is provided in this PCR.

<sup>5</sup> See Docket No. 2532, page 2.

Reserve (\$2,063,471.98) was transferred to the Plan Administrator and those funds have been disbursed.

In addition, the Plan Administrator has generally excluded from “cash disbursements” the following categories: intercompany transfers, loss portfolio transaction escrow funds, OUST Fees paid for prior quarters, proceeds of irrevocable standby Letters of Credit which are being held as collateral.

**2. Non-Cash Securities Transferred:** The Plan Administrator did not transfer any non-cash securities (e.g., stocks or bonds) during the Reporting Period.

**3. Other Non-Cash Property Transferred:** The Plan Administrator did not transfer any other non-cash property (e.g., real estate or personal property) during the Reporting Period.

## **Part II: Preconfirmation Professional Fees and Expenses:**

**Part 2(a):** The Plan Administrator did not make any payments to the Debtors’ and/or the Committees’ bankruptcy professionals on account of preconfirmation fees and expenses during the Reporting Period. The Plan Administrator is informed and believes that K&E did not make any payments to professionals on account of pre-confirmation fees and expenses (bankruptcy) from the Fee Reserve Funds during the Reporting Period. K&E disburses the funds and maintains the records with respect to the Fee Reserve Funds and the Professional Fee Reserve. Accordingly, the Plan Administrator has relied on the information provided by K&E to disclose any disbursements from the Fee Reserve Funds.

**Part 2(b):** The Plan Administrator did not make any payments to the Debtors’ nonbankruptcy professionals on account of preconfirmation fees and expenses during the Reporting Period. The Plan Administrator is informed and believes that K&E did not make any payments to the Debtors’ nonbankruptcy professionals on account of preconfirmation fees and expenses during the Reporting Period.

## **Part III: Recoveries to Holders of Claims and Interests Under Confirmed Plan:**

“Total Anticipated Payments Under Plan” are unknown at this time and will depend on, among other factors: (i) continuing claims reconciliation efforts and the resultant final allowed amount of such claims; (ii) the amount of collected receipts from litigation and liquidation of other miscellaneous assets; and (iii) the duration of the wind-down process and the resulting cumulative operating expenses of the estates. Accordingly, a figure of “\$0” has been entered in the PCR in the columns “Total Anticipated Payments Under Plan,” although all distributions made during the current Reporting Period and on a cumulative basis are listed in Part 3.

The claims reconciliation process is ongoing and the Plan Administrator is not able to determine at this time the total amount of claims that will be allowed. As such, reporting with respect to the anticipated total amount of “Allowed Claims” of all priority levels (or administrative or general unsecured levels) is not presently possible. Reported in Part 3 of the PCR under the heading “Allowed Claims” is information regarding claims (i) that are allowed

and not subject to further objection and (ii) as to which distributions were sent prior to the close of the Reporting Period. Claims that are currently disputed or that have not yet been reconciled, or whose holders have not provided requested tax identification documentation, are not reflected in the PCR as Allowed Claims or otherwise and, therefore, the final Allowed Claims pool likely will be higher than as reflected herein. As and when disputed claims (including unreconciled claims) become allowed, they will be added to the Allowed Claims total. Pursuant to the Plan, no distributions will be made on account of equity interests.

**Part 3(a) Administrative Claims:** The Plan Administrator did not make any payments on account of Allowed Administrative Claims in the Current Quarter.

**Part 3(b) Secured Claims:** Amounts listed as “Paid Current Quarter” reflect payments of principal and interest to secured creditor Sixth Street Specialty Lending, Inc, (6<sup>th</sup> Street”) and payments on account of Secured Tax Claims.

#### **Part IV: Questionnaire:**

The Plan Administrator cannot currently anticipate, with any degree of certainty, when he will file an application for a Final Decree closing the Chapter 11 Cases. Accordingly, the date of December 31, 2026 is being used merely a placeholder. The actual date of filing an application for a Final Decree depends on many factors, including but not limited to the duration of litigation and other asset collection and liquidation efforts, and the resolution and reconciliation of claims and the wind down process. The Plan Administrator reserves the right to amend or extend this tentative projected date.